

STATE
LIQUOR
& WINE
STORE

VENDOR MANUAL



Department of
Alcoholic Beverage Services

SEPT 2023

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DABS RESERVES THE RIGHT TO MAKE ANY CHANGES TO THE SUPPLY CHAIN MANUAL AND THE POLICIES REFERENCED HEREIN. THE SUPPLY CHAIN MANUAL WILL BE REVIEWED EVERY YEAR BY THE DEPARTMENT.

FOREWORD

The Utah Department of Alcoholic Beverage Services (Utah DABS) continually strives to provide the best possible service and product selection for the citizens of the State of Utah. Accomplishing this task requires that we model best practices and are able to adapt to changing consumer demands.

This manual is intended to serve as a reference guide for suppliers who are currently conducting business with Utah DABS, as well as to educate new and prospective suppliers about Utah DABS's policies and procedures.

- DABS Product Management Committee

MISSION STATEMENT

The Utah Department of Alcoholic Beverage Services oversees the sale and distribution of alcoholic products in the state of Utah. The department proudly serves all Utahns, whether or not they choose to drink alcohol. We recognize our important role in the community in which we financially support crucial government services, support local businesses and tourism, and prioritize alcohol prevention education for the health and safety of all Utahns. We honor our statutory and legal obligations and value our duty as public servants, working for all Utahns.

PRODUCT LIFECYCLE MANAGEMENT

The DABS employs a strategic process of managing products from the initial decision to purchase a new item, to the logistics of warehousing each item, to the merchandising and distribution of all items to the possible/eventual delisting of an item. To execute the Product Lifecycle Management of all products sold to customers in Utah, the DABS is comprised of a Purchasing team, Warehouse team, a Merchandising team and a Retail Outlet team.

LISTINGS

Utah DABS considers new products to be carried in its stores or in our special order catalog on a biannual basis. The process of bringing in new items is called “listings,” and the selected products appear on shelves, on our DABS app and in our listing catalogs on a biannual basis - on April 1 and October 1. These dates are what we refer to as “on-shelf” dates.

To be considered, a Listing Submission Form must be submitted to the Utah DABS Listing Committee for evaluation. To submit a product, a supplier must fill out the [Listing Submission Form](#) found on the DABS website and email the completed form to dabspurchasing@utah.gov. Listing Submission Forms are evaluated by the listing committee to determine whether the product should be listed.

During the evaluations the department may ask for samples, additional information, or potentially set meetings to discuss products submitted for listing. Submission of this form does not guarantee a listing. Please note the following important dates for listings.

April 1 On-Shelf Date	
Date	Event
Jan 1	Target Report Published
Jan 31	All Submissions Due
Feb 14	Sample Requests Sent
Mar 1	Listing Decision
Apr 1	On-Shelf Date

Oct 1 On-Shelf Date	
Date	Event
Jul 1	Target Report Published
Jul 31	All Submissions Due
Aug 14	Sample Requests Sent
Sept 1	Listing Decision
Oct 1	On-Shelf Date

Listing Submission Applications must include the following:

- [Utah Submission Listing Form](#)
- Copy of Federal Label Approval
- Product Image (.jpg, .png, or .gif) (Max 400px x 700px and <100KB)
- There should be no other object in the image except for the product.
- Image can also be uploaded via Shelf Talker (see page 18).
- Listing of malted beverages (heavy beer and flavored malt beverages) will need to demonstrate label approval by the DABS Compliance division prior to listing.

The Listing Committee selects products for broad distribution, limited distribution, one time buy, and our special order catalog.

- Accepted products must be available and ready for sale by the expected on-shelf date. This requires that the products be in the Utah DABS warehouse at least two weeks prior to that date. If the product will not be available as needed, it is best to delay the listing presentation.
- New items will be merchandised in 5 to 10 stores. The stores that products are sent to will be determined based on price band category performance. i.e. products will be sent to stores where they have the best chances of success.
- As new items are assigned to stores, they will be required to perform at predetermined sales levels. Items failing to do so may be eligible for de-listing. Products will be given 12 months to meet sales levels. Products may be de-listed at any time as determined by the DABS listing committee.
- In order to list a product with the Utah DABS, you must first be registered and setup as a Vendor. Please contact our purchasing division for more information on how to become a vendor.
- Suppliers must [submit a listing packet](#) (found on the [Vendor Forms page](#)) any fields that determine the scoring categories that are left blank will result in a zero score. Please fill the form to the best of your ability.

The Listing Committee will evaluate products, scoring them on the following criteria:

- Market demand
- Category need
- Promotional and/or advertising activity
- Performance in other markets
- Special order requests
- Product quality
- Past supplier performance
- Availability of product

Requirements for listing:

- Supplier must be able to meet a minimum stocking quantity amounting to a case/store ratio based on the number of stores assigned and warehouse stock.
- The Listing Committee will pre-screen submissions and select which items will be considered for listings.

Product Changes:

Any currently listed product changes - including packaging changes, labeling changes, and proof changes must be approved by the Listing Committee prior to distribution.

The Utah DABS Listing Committee reserves the right to reconsider products at any time.

SAMPLE REQUESTS

After receiving the listing application, the Purchasing division may request a sample. Authorized samples must be sent to DABS with attention to the Purchasing Department. Those samples must also be sent via common carrier and not through USPS.

Find more information on [DABS' Product Sampling Policy](#).

DELISTING

Delisted products might be discounted. Utah DABS reserves the right to move items within the listing categories based on, but not limited to, the following criteria:

- Low demand
- Availability of product
- Sales
- Category need
- Category trends

Listed products may be delisted by the Listing Committee at any time based on, but not limited to, the following criteria:

- Low profit performance within a category
- Low case turns within a category
- Category trends
- Category need
- Supply issues
- Labeling/packaging issues

PRICE CHANGES

General distribution price changes are allowed during the months of February, May, August, and November only. Complete and accurate listing packets must be received by the Department's purchasing coordinator by the second week of the third month prior to the effective date.

Newly listed products are not eligible for price changes for the first year. The department reserves the right to deny any price changes.

SPECIAL PRICE ALLOWANCES (SPAs)

A Special Price Allowance (SPA) is a discount off the shelf price provided by the supplier. Discounts are for specific listed products for a specified period of time.

Find more information about [DABS' Special Price Allowance Policy](#).

SPECIAL ORDER ITEMS

Special order product is any product not carried for sale in stores by the Department. Special orders may be placed by individuals, groups of individuals, organizations, or retail licensees.

Special orders are subject to availability and in accordance with the distributor's shipping criteria:

- Special orders may be ordered only in the minimum quantity set by a supplier.
- The Department shall not place a special order unrelated to a particular customer.
- Whenever necessary, a department purchasing agent shall obtain a retail bottle price and contact the customer for approval to proceed with the order.
- When a special order arrives, the State store to which the special order has been sent shall notify the customer.
- Customers shall pay for and pick up the entire special order within 14 days after notification.
- Any existing special order inventory shall be managed at the discretion of the DABS.
- Misuse of the special order program may result in the suspension of ordering privileges.

The Department shall not place a special order or any special order item unrelated to a particular customer. Misuse of the special order program may result in the suspension of ordering privileges.

“Speculative” Special Orders will not be allowed.

PROMOTIONAL PACKAGING

Value-added products are items of value that are included in unique packaging of a regularly listed product. Examples of value-added products are glassware, flasks, t-shirts, jiggers, mixers, etc.

Seasonal items are any items that has a visual reference to a holiday or seasonal event. These must be shipped to the DABS warehouse using unique NABCA product code. Any seasonal products packaged under the brand's regular NABCA product code will be returned to the vendor. If the seasonal item is received too late to effectively capitalize upon the seasonal aspect of its design, it will be returned to the vendor.

Specialty bottles are bottles bearing a novelty design which is not seasonal in nature, but different from the standard bottle design.

Standard case promotional packaging are bottles packaged with some type of promotional item. Examples include glassware or other promotional items that stack onto the neck of a standard bottle or bottle wraps. The case configuration of these items is identical to the standard shipping case.

SEASONAL OFFERS

In the case of seasonal limited time offers, all companies shall submit a complete listing package. The listing committee will review seasonal listings alongside all other listings. Please be sure to submit for an on-shelf date that would satisfy the seasonality of the item. For example, a Christmas listing should be submitted on April 1 for an on-shelf date of Oct. 1.

Please be sure that products will arrive at the Utah DABS warehouse in ample time for distribution for the holiday/event that the item is targeting.

PRICING

Promotional packages are offered to customers at the same retail price as a regularly packaged bottle of the same distilled spirit. In the event that the regularly packaged product contained in the promotional packaging is offered at a discounted retail price, Utah DABS requires that the vendor sponsor the same discount on any promotional packaging still in store inventory.

DABS HOLIDAY SCHEDULE

The table below shows common promotions/holidays/events and the important dates to remember when listing products.

- **Holiday/Event:** The name of the holiday or event that the promotional product is targeting.
- **Submit By:** The date that the product listing submission form must be submitted by to be considered.
- **Received By:** The date that the product (if listed) must be in stock at the DABS warehouse.

Any products not received by this date, and therefore not available for proper distribution in time for the promotion, will be returned to the vendor.

HOLIDAY/EVENT	SUBMIT BY	RECEIVED BY
NEW YEAR'S DAY	JUL 31	DEC 1
SUPERBOWL	JUL 31	JAN 15
VALENTINE'S DAY	JUL 31	JAN 1
ST. PATRICK'S DAY	JUL 31	FEB 1
EASTER	JAN 31	MAR 1
CINCO DE MAYO	JAN 31	APR 1
FATHER'S DAY	JAN 31	JUN 1
INDEPENDENCE DAY	JAN 31	JUN 1
HALLOWEEN	JUL 31	OCT 1
THANKSGIVING	JUL 31	NOV 1
CHRISTMAS	JUL 31	DEC 1

APPROVAL

Value-added products are not eligible to become regularly listed products in Utah DABS stores. In order to be considered for approval, the value-added package must contain a product regularly carried by Utah DABS.

Promotional packages are usually purchased in approved quantity for a one time distribution to specific stores. This distribution will be designated by Utah DABS based upon the historical sales of the product.

The purchase of promotional packaging items must be approved by Utah DABS prior to shipment. Items delivered to the warehouse that have not been previously approved will be returned to the vendor.

Proposals for promotional packaging are to be submitted to the DABS merchandising manager a minimum of 45 days in advance of the start of the quarter in which the promotion will take place. See the table for necessary dates of submission for promotional packaging considerations.



<u>Promotion Period</u>	<u>Submit By</u>
Q1. July, Aug., Sept.	May 15
Q2. Oct., Nov., Dec.	Aug. 15
Q3. Jan., Feb., March	Nov. 15
Q4. April, May, June	Feb. 15

Considerations for approval include:

- Incremental sales potential: Considering the fiscal, logistical, and retail resources required to stock a product, does it possess sufficient customer value to encourage incremental sales rather than simply replacing the regularly carried product?
- Responsible drinking: Items must not have any component that would be specifically attractive to underage buyers, promote irresponsible drinking or violate any statute pertaining to alcoholic beverage promotional items.
- Appropriateness: Items must not be likely to be found offensive by any customer visiting a Utah DABS store.
- Proposed quantity: The proposed quantity should sell through in 30-90 days, depending upon the purpose of the special pack.

SHELF SCHEMATICS

Shelf schematics and resets will occur as needed as determined by the department. Suppliers who have concerns about shelf guide compliance at a particular store may contact the Department's Merchandising Manager.

MERCHANDISING MATERIALS

The Utah DABS does not allow advertising. Please be sure to review any state rules including [R82, page 3](#) for any advertising/marketing campaigns. For information about promotions that are allowed in state stores please review the "Promotional Packaging" section outlined on page 11.

SHELF TALKERS

Product information cards must be submitted to the purchasing department for approval prior to placement in stores. Vendors must utilize the template found on the [Vendor Portal](#) for products along with a digital copy of the recognition source.

Reviews must only be from industry periodicals within the last two years, not edited, and must contain the name, vintage, review price, date and issue of the review.

Store personnel or vendor representatives (after store management approval) may attach approved shelf talker cards to wine racks, shelves, or floor stacks at the store manager's discretion. All cards will have the vendor representative's signature, name and the date on the back.

Store participation in the shelf talker program is mandatory. Shelf talkers must be removed once review or acknowledgement exceeds two years or the displayed vintage changes.

Please review "Store Visit Protocol" on page 13 for more information about store visits.



STORE VISIT PROTOCOL

It is a violation of federal regulation for a supplier representative to physically move bottles or cases of merchandise belonging to another supplier. Under no circumstances may a supplier move any product that they do not represent. Violation of this federal regulation may result in administrative action.

- Supplier representatives are required to check in with the store manager on duty immediately upon entering the store and sign the visitor's log. Including name, company, and date of visit. The Supplier representative must also use a "WE ID" badge during their time in the store, and return it before leaving.
- Supplier representatives will notify the store manager on duty before beginning any work on the sales floor and discuss with them the purpose of the visit and which products are to be serviced during the visit.
- Supplier representatives will not change the location of merchandise on Utah DABS retail store shelves unless approved by store management. Please note: changes in shelf sets must be submitted to the Utah DABS Merchandising Division for approval.
- Supplier representatives may restock their represented products in their allocated shelf locations. However, they may not add additional facings.
- Supplier representatives may restock any approved floor stack locations on the sales floor using on-hand merchandise from the store's stockroom.

Please see the following page for information that might help supplier representatives understand help that they can or cannot give.

SUPPLIER RESTRICTIONS

The following list are activities that suppliers are not allowed to do. Please be sure to avoid the following restrictions during store visits:

- Move their own products without the permission from the store manager on duty, and the approval of the merchandising division for compliance with shelf guides.
- Set up floor displays not approved by store management and the DABS merchandising division.
- Move other suppliers' products
- Request additional products be added to the store assortment
- Offer gifts, awards, swag, or other incentives to any DABS employee
- Solicit participation in programmed promotions to stores not meeting the sales criteria as determined by the Utah DABS's merchandising division.

DABS WAREHOUSE

Utah DABS uses both a bailment warehouse system and a regular warehouse. This means products delivered to the Utah DABS Bailment Warehouse must be consigned to the supplier in the care of Utah DABS.

While products are stored in the Utah DABS Bailment Warehouse, the supplier is owner of, has legal title to and bears the risk of loss of those products, except for loss of damage caused by Utah DABS' failure to exercise such care in regard to stored products as a reasonable, careful person would exercise under like circumstances.

Utah DABS will take title to products only once they are purchased by Utah DABS (at the time the product is picked up for delivery to Utah DABS retail stores).

Suppliers with bailment items will be provided with access to a report detailing inventory levels for their products. It is the responsibility of those suppliers to manage appropriate inventory levels in the Utah DABS bailment warehouse.

Suppliers with continuous supply issues will have a lower score used to evaluate product listing submissions.

CASE CODE LABEL

The “case code label” is one of the major benefits to the control state coding system. Case code labels should be on white stock paper with black lettering unless approved otherwise.

1. Product description

- The size of the product must be included.

2. Control state code (CSC) number

- “320” represents the three-digit prefix to further identify class and type. “43136” is the unique six-digit CSC number. (Note: All leading zeros should be omitted). The number “75” represents the two-digit suffix identifying the size. The CSC number should be 7/8” to 1” high. The prefix and suffix number should be 1/4” to 1/2” high.

3. UPC symbology

- The UPC symbology should be located in the lower left-hand corner of the case code label.

4. Location

- The label should be located on an end panel.



Please note, for information regarding Shipping Container Code (SCC),
please contact GS1 US at:
7887 Washington Village Dr.
Suite 300 Dayton, Ohio 45459
Ph: (937) 435-3870
E-Mail: info@gs1us.org

RECEIVING

The Department of Alcoholic Beverage Services has several vendors that help us meet our statutory obligations. We thank you for your efforts in professionalism and for helping us safely sell and distribute alcohol to the people of the state of Utah. Unfortunately, errors in product delivery to the DABS warehouse result in costly mistakes and inefficiencies in the entire supply chain.

To address and prevent these issues, the DABS will assess fees, starting on January 1, 2024 in accordance with the errors listed below.

Restacking Shifted/Collapsed Loads	\$ 250/load
Re-configuring Pallets	\$ 250/pallet
Missed Appointment Without Notice	\$ 1000/appt
Missed Appointment with Less than 24 Hour Notice	\$500/appt
Non-Compliant Labeling	\$25/case
PO Revisions Not Sent to Purchasing in Advance	\$250/line
Product Disposal	\$500/pallet

It is our hope that we will not have to assess any fee and that vendors will deliver products to our warehouse as required for safe and efficient business operations.

If a fee is noted, it will be signed for by your delivery person, then the fee will be assessed on your invoice as a debit memo off the total invoice amount of the load delivered.

The DABS appreciates your partnership and understanding as we work together to ensure a safe and effective warehouse distribution center for all of our shared customers.

DELIVERY REQUIREMENTS

SCHEDULING:

Deliveries to the Utah DABS distribution center are by appointment only. Delivery appointments are scheduled in advanced and assigned a confirmation number. Delivering drivers must have the confirmation number to check in for unloading. Trucks without an appointment will not be unloaded.

LABELING:

Labels must be affixed to all cases and faced outward so they are visible on at least two adjacent sides of stacked product. There will be a \$25 fee per case for loads that are not properly labeled. Labels should list item code, brand name, size, case-pack quantity, and vintage (if applicable).

PALLET & TIER QUANTITY:

All products for sale to Utah DABS must be quoted with the pallet and tier quantities in which it will delivered. Any changes in quoted pallet or tier configuration must be submitted to Utah DABS in a new quote 30 days prior to shipment.

PALLET LOAD CONFIGURATION:

To minimize manual handling in receiving, all stacked product should be in full tier layers. Any less-than-full or mixed tiers must be on the top tier of a pallet load or shipped as a single tier. Product from multiple POs shipping together must be in single tiers or on the top tier.

DOCUMENTATION:

All deliveries must have a bill of lading, packing list, packing slip or manifest, which must include the Utah DABS Purchase Order or Replenishment Number, the description, size, case-pack quantity, of each item shipped, and a total piece count. Each PO/Replenishment should have its own set of documentation. If multiple POs are combined on one document, each line item for each PO must be specified separately and not combined into a total with like product from other POs. Deliveries with missing or insufficient documentation upon check-in may be refused.

LOAD INTEGRITY:

Loads must be shipped with sufficient stretch wrap, dunnage (airbags, padding, etc.) and load securing devices (load locks, bars, straps, etc.) to arrive ready to unload without breakage or need of restacking. Wood pallets for product shipment should be grade A or B. Slipsheets are required for loads that do not ship on pallets. Slipsheets must be placed so they will not move any adjacent product when unloaded. There will be a \$250 fee for loads that have to be restacked in unloading.

LATE OR MISSED DELIVERIES:

Deliveries are expected to be on time. Any expected delays should be communicated to Utah DABS Receiving as soon as possible. Deliveries checking in at Receiving more than 30 minutes late without prior arrangement will be considered to have missed their appointment and rescheduled to a later opening. Deliveries may not check in at Receiving more than 30 minutes early without prior arrangement. There will be a fee of \$500 for deliveries that give 24 hours or less advance notice, and \$1,000 for no advance notice.

ADVANCE SHIPPING NOTICE AND REVISIONS:

Advance Shipping Notices should be sent to Utah DABS Purchasing prior to shipment. Any changes in products or quantities should be noted before shipment by sending an updated notice, which will be acknowledged with a corrected Purchase Order Copy. PO revisions not sent to Purchasing in advance will cost \$250 per line.

OVER- AND MIS-SHIP:

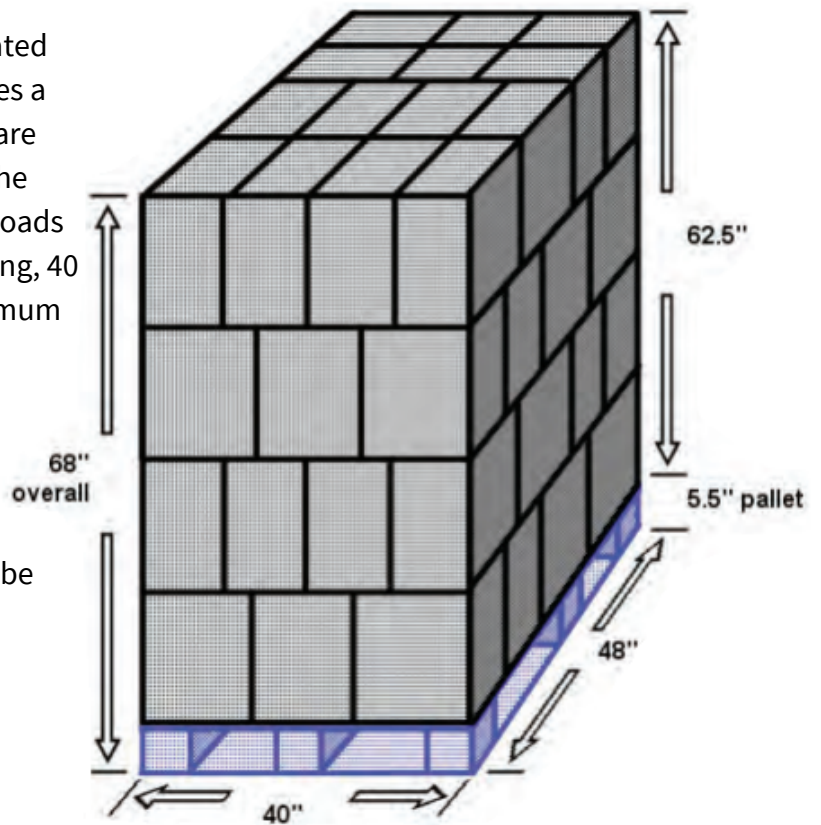
Vendors are responsible for delivering product to Utah DABS exactly as ordered. Over-shipped product may or not be accepted according to current demand. Product that is not listed for retail sale with Utah DABS will not be accepted. Over-shipments or mis-shipments of special orders will not be accepted. It is the responsibility of the vendor to arrange for return of mis-shipped product in a timely manner. Product that is not picked up after final notification will be destroyed and any destruction fees charged to the vendor.

PARCEL/PACKAGE DELIVERY:

Product for sale to Utah DABS may not be shipped by mail or parcel/package delivery services (UPS Ground, FedEx Ground). Deliveries should be shipped by intermodal, over-the-road or LTL motor carriers which can schedule delivery appointments at the Utah DABS distribution center. Small orders should be pooled to ship with full truckloads whenever possible.

LOAD DIMENSIONS:

Utah DABS stores its product in an Automated Storage/Retrieval System (ASRS) which uses a specific reinforced plastic pallet. All loads are transferred to these pallets for putaway. The size of the ASRS racks requires that pallet loads have maximum dimensions of 48 inches long, 40 inches wide, and 68 inches high. The maximum height includes 5.5 inches for the standard pallet, so the stacked product must be no more than 62.5 inches high. Pallet loads which exceed these dimensions have to be reconfigured before storage. There will be a \$50 fee for each pallet that has to be reconfigured.



CONTACT INFORMATION

Purchasing Division: Products, Listings, Packaging, SPAs

dabspurchasing@utah.gov

Merchandising Division: Floor Displays, Product Allocation

dabsmerchandising@utah.gov

Receiving Division: Warehouse Shipping

swall@utah.gov



DABS